

Lower-Emission School Bus Program: Proposition 1B Funding



**Public Workshop
September 20, 2007
Sacramento, California**

Agenda

- Staff presentation
 - Background
 - Proposition 1B funding
 - Draft funding allocations
 - Bond accountability
 - Draft emission criteria
 - Potential technical updates
 - Potential programmatic updates
- Open discussion
- Closing remarks

Lower-Emission School Bus Program

- Guidelines first approved in 2000
 - Replacing buses since 2001
 - Requires at least pre-1987 retirement
 - Encourages pre-1977 retirement: 05-06 FY funding targeted oldest pre-77 buses
- \$101M total funding from 00-01 FY through 05-06 FY
 - ~600 pre-1987 school bus replacements
 - ~3,800 existing diesel bus retrofits

ARB's Role

- Develop Guidelines: program criteria and funding allocations
- Distribute funds to CEC and local air districts
- Provide program oversight
- CEC and local air districts implement
 - CEC for new bus purchases
 - Local air districts for both new bus purchases and retrofits

Proposition 1B Funding for School Buses

- \$200 million for new school buses and retrofits
 - \$7 million for bond costs
 - \$1.2 million for ARB admin (<1%)
- Senate Bill 88 (Statutes of 2007, Chapter 181) provides direction for spending the funds
- \$191.8 million available for grants
 - Up to 2% may be used by CEC/air districts for admin costs

Senate Bill 88

(Statutes of 2007, Chapter 181)

Key Provisions:

- Funding to replace all remaining pre-1977 buses
- Next, funding to be allocated based on each air district's share of 1977-1986 buses
- Air districts to determine funding split between new buses and retrofits
 - ARB's target retrofit population: 1987 and newer buses

Expected Statewide Outcomes

- Replace 1,000 - 1,300 old, high-polluting buses
 - All eligible pre-77 buses (<100)
 - Up to 50% of eligible 1977-1986 buses (~2,300 remaining)
 - Eligible = public school bus with no lapse in CHP safety certification
- Retrofits for existing buses
 - Depend on air district commitment
 - Provide significant public health benefits
 - Most cost-effective use of funds

Draft Funding Allocations for Large Air Districts

(in millions)

Air District	Pre-1977 Bus Pop	1977-1986 Bus Pop	07-08 FY Allocation	08-09 FY Allocation
SJV APCD	13	588	\$23.5M	\$23.5M
South Coast AQMD	10	564	\$22.5M	\$22.5M
Sacramento Metropolitan AQMD	1	160	\$6.25M	\$6.25M
Bay Area AQMD	2	119	\$4.75M	\$4.75M
Monterey Unified APCD	8	94	\$4.2M	\$4.2M
San Diego County APCD	2	81	\$3.25M	\$3.25M
Ventura County APCD	4	69	\$2.95M	\$2.95M
TOTAL	40	1675	\$67.4M	\$67.4M

Draft Funding Allocations for Medium and Smaller Air Districts

- CEC to implement new bus component for remaining 28 air districts
- Funds to replace all pre-1977 buses
- Allocation goals for air districts for 1977-1986 buses
- How do we include retrofits?

07-08 FY

\$28.5 million

08-09 FY

\$28.5 million

Air District	Pre-1977 Buses
Antelope	3
Butte	4
Feather River	2
Imperial	3
Kern	4
Mendocino	4
Mojave	3
North Coast	1
Northern Sierra	5
Placer	2
Santa Barbara	1
Shasta	3
Siskiyou	1
Tuolumne	3
TOTAL	39

Retrofit Funds for Medium and Smaller Air Districts

- Propose retrofit funding for air districts for which CEC implements new bus purchase program
- Waive \$25K match for 1977-1986 bus replacements when retrofits are installed
 - Assists school districts lacking match funding
 - Provides significant toxic PM benefits through retrofits
- Air district must apply to implement retrofit program
 - Up to 2% available for admin costs

Bond Accountability

- Governor's Executive Order S-02-07 establishes accountability procedures for bond funds approved in November 2006 election
- Requires 3-part accountability plan
 - Front-end: ARB Guidelines
 - In-progress: Local air districts and CEC enter data in database
 - Follow-up: ARB and Department of Finance (DoF) conduct audits

Bond Accountability (continued)

- Bond accountability database
 - New, user-friendly database under development
 - Database to be operational by Spring of 2008
- CEC and local air districts required to enter project specific information
- Senate Bill 88 imposes additional reporting requirements
 - Semiannual reports to ARB for forwarding to DoF
 - Final reports to ARB for forwarding to DoF

Draft Emission Level Criteria for New School Bus Purchases

- Heavy-duty diesel fueled engines
 - NOx: 1.2 g/bhp-hr FEL
 - PM: 0.01 g/bhp-hr standard
- Heavy-duty alternative fueled engines
 - NOx: 0.5 g/bhp-hr FEL
 - PM: 0.01 g/bhp-hr standard
- Staff still evaluating engine emission levels to determine appropriate criteria

Potential Technical Updates

- Hybrid school bus technologies
 - Determine appropriate funding level
- CNG fuel tank replacement
 - Assess requirements of Senate Bill 88
- Biodiesel use
 - Retrofits
 - New buses
 - ARB's draft advisory:
http://www.arb.ca.gov/fuels/diesel/altdiesel/111606biodsl_advisory.pdf

Potential Programmatic Updates

- Funding caps for new buses and retrofits
 - Request cost data from vendors
- Required match funding for 1977-1986 bus replacements
 - \$25,000 match
 - Waived if school district installs retrofits

Next Steps

- Send comments to:
Krista Fregoso, Air Pollution Specialist
1001 I Street, PO Box 2815
Sacramento, CA 95812
or e-mail to kfregoso@arb.ca.gov
- Fall Board Hearing - TBD
- Draft Guidelines
 - To be available about 30 days prior to Hearing
- Funding agreements in early 2008 for air districts and CEC

How to Contact Us

- Lower-Emission School Bus Program contacts:
 - Kimya Lambert at 916-323-2507 or klambert@arb.ca.gov
 - Lisa Jennings at 916-322-6913 or ljennings@arb.ca.gov
 - Earl Landberg at 916-323-1384 or elandber@arb.ca.gov
- Visit ARB's web site at:
<http://www.arb.ca.gov/bonds/schoolbus/schoolbus.htm>
- Sign-up for ARB's list serve at:
<http://www.arb.ca.gov/listserv/schoolbus.htm>

Open Discussion Questions and Answers